

# DIRECTIVE

## WORKFORCE INVESTMENT ACT

Number: WIAD05-19

Date: June 16, 2006  
69:141:jw:10018

TO: WORKFORCE DEVELOPMENT COMMUNITY

SUBJECT: LOCAL PLAN MODIFICATIONS PY 2006–07

### EXECUTIVE SUMMARY:

#### Purpose:

This directive announces a second one-year extension to the existing Local Workforce Investment Area (LWIA, Local Area) Five-Year Strategic Local Plans via local plan modification. This directive also provides instructions and revised forms for submittal of Program Year (PY) 2006–07 modification of the local plans.

#### Scope:

This directive applies to all LWIAs.

#### Effective Date:

This directive is effective on date of issuance.

### REFERENCES:

- Workforce Investment Act (WIA) Section 118
- Title 20 Code of Federal Regulations (CFR) Part 661.345, 661.350, and 661.355
- Training and Employment Guidance Letter (TEGL) 29-05, Negotiating Common Measures Performance Goals for Wagner-Peyser Act Funded Activities for PY 2006, Re-Negotiating the Earnings Common Measure for the WIA Title IB Adult and Dislocated Worker Programs, and Clarification of Accountability for Youth Measures (May 12, 2006)
- TEGL 25-05, Fiscal Year 2006 Congressional Rescissions for the WIA Adult and Dislocated Worker Programs; WIA Adult and Youth Programs Planning Estimates for PY 2006; WIA Allotments for the Dislocated Worker Program for PY 2006; Wagner-Peyser Act Final Allotments for PY 2006; Workforce Information Grants to States for PY 2006; and Work Opportunity Tax Credit and Welfare-to-Work Tax Credit Allotments for FY 2006 (April 11, 2006)

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- TEGL 17-05, Common Measures Policy for the Employment and Training Administration's Performance Accountability System and Related Performance Issues (February 17, 2006)
- TEGL 23-04, Congressional Rescissions for the WIA Adult and Dislocated Worker Programs; WIA Allotments for PY 2005; Additional Funding from WIA Section 173(e) for Adult/Dislocated Worker Activities for Eligible States; Wagner-Peyser Act Preliminary Allotments for PY 2005; Reemployment Services, Workforce Information Grants to States for PY 2005; and Work Opportunity Tax Credit (WOTC) and Welfare-to-Work (WtW) Tax Credit Allotments for Fiscal Year (FY) 2005 (March 25, 2005)
- TEGL 22-02, Negotiation of Performance Goals for Program Years Four and Five Under Title I of the WIA (March 24, 2003)
- WIA Directive WIAD05-15, Subject: LWIA Proposed Performance Goals for PY 2005–06 (April 11, 2006)
- WIA Directive WIAD05-12, Subject: Transfer of Funds–Adult, Dislocated Worker, and Recaptured Funds (January 12, 2006)
- WIA Directive WIAD05-9, Subject: Final PY 2004–05 Performance (October 14, 2005)
- WIA Directive WIAD04-10, Subject: Final PY 2003–04 Performance (October 15, 2004)
- WIA Directive WIAD03-6, Subject: LWIA Performance Levels for PY 2002–03, 2003–04, and 2004–05 (July 31, 2003)
- WIA Information Bulletin WIAB05-98, Subject: Dislocated Worker Allocations–PY 2006–07 (June 9, 2006)
- WIA Information Bulletin WIAB04-96, Subject: Formula Allocations for PY 2005–06 and Federal Rescission for PY 2004–05 (April 26, 2005)
- WIA Information Bulletin WIAB04-95, Subject: Youth Allocations PY 2005–06 (April 26, 2005)
- WIA Information Bulletin WIAB04-86, Subject: Federal Allotments PY 2005–06 and Federal Rescission PY 2004–05 (April 4, 2005)
- WIA Information Bulletin WIAB03-43, Subject: Final PY 2002–03 WIA Performance Results (December 5, 2003)
- WIA Information Bulletin WIAB02-45, Subject: Final PY 2001–02 WIA Performance Results (December 4, 2002)
- WIA Information Bulletin WIAB01-55, Subject: Final PY 2000–01 WIA Performance Results (December 4, 2001)
- WIA Information Bulletin WIAB99-2, Subject: WIA Initial Local Planning Guidance (December 14, 1999)

## STATE-IMPOSED REQUIREMENTS:

This directive contains some State-imposed requirements. These requirements are indicated by ***bold, italic*** type.

## FILING INSTRUCTIONS:

This directive supersedes WIA Directive WIAD05-5, dated October 5, 2005, and finalizes WIA Draft Directive WIADD-118, issued for comment on May 5, 2006. The Workforce Investment Division received five comments during the draft comment period; the comments received did not result in any substantive changes to this directive. However, this directive incorporates changes that are viewed as highlighted text. The highlighted text will remain on the Internet for 30 days from the issuance date. Retain this directive until further notice.

## BACKGROUND:

The Local Workforce Investment Boards (Local Board) submitted their initial Strategic Five-Year Local Plans pursuant to the requirements in WIA Section 118, instructions in WIA Information Bulletin [WIAB99-2](#), dated December 14, 1999, and several issuances of supplemental guidance. Title 20 CFR Part 661.355 states that the Governor must establish procedures governing the modification of local plans. The WIA Directive WIAD05-5, dated October 5, 2005, provided instructions for submitting the PY 2005–06 plan modifications. Situations in which the Governor may require modifications include:

- Significant changes in local economic conditions;
- Changes in the financing available to support WIA Title I and partner-provided WIA services;
- Changes to the Local Board structure; or
- A need to revise strategies to meet performance goals.

For PY 2005–06, the Local Boards were given a one-year extension to their existing Five-Year Strategic Local Plans via local plan modifications. ***To meet the requirements at Section 118 of WIA, the Local Boards are given a second one-year extension to their existing Five-Year Strategic Local Plans, subject only to the requirements of this directive for PY 2006–07.***

## POLICY AND PROCEDURES:

This directive includes the attachment *WIA Local Plan Modification PY 2006–07 Instructions and Forms*; it may be accessed at [www.edd.ca.gov/wiarep/wiaricp.htm](http://www.edd.ca.gov/wiarep/wiaricp.htm). The forms in the attachment include:

- Cover Page
- Table of Contents

- Signature Page
- X. Addendum
- Title IB Budget Plan Summaries for Adult or Dislocated Worker and Youth
- Title IB Participant Plan Summary
- Negotiated Levels of Performance
- Local Area Grant Recipient Listing

If you need to make changes to any of the narrative portions submitted with your initial plan or subsequent modifications, you may access the appropriate forms at the same Web site. (Note: The [narrative forms](#) are in the Resource Information Center - Planning Documents as attachments to WIA Information Bulletin WIAB99-2.)

**Local plans must be modified to include the following elements, as applicable:**

### **Revised Elements From Initial Plans and/or Subsequent Modifications**

Some local plans may be missing some required elements. For example, Local Boards may not have submitted all of their fully executed Memorandums of Understanding (MOU). One of the elements required in the MOUs, per WIA Section 121(c)(2)(A)(ii), is “how the costs of such services and the operating costs of the system will be funded.” The State approved those MOUs that indicated cost-sharing arrangements would be developed. In addition, some of the MOUs did not include specific information about referral methods. As a requirement of WIA Section 121(c)(2)(iii), MOUs shall contain provisions describing the “methods for referral of individuals between the One-Stop operator and the One-Stop partners, for the appropriate services and activities.” ***Local Boards must attach one copy of each current fully executed MOU for all required partners that describe the cost-sharing arrangements and methods of referral, as well as the other required elements in WIA Section 121(c). If there is more than a single One-Stop in the local area, the MOUs must address the cost-sharing arrangements and other Section 121(c) requirements regarding each of the One-Stops, including descriptions of any differences or unique arrangements regarding the various sites. If cost-sharing arrangements are not included as part of the MOU but are contained in another document (e.g., a lease agreement), provide a copy of that document with the MOU. If any required MOUs have not yet been negotiated, these must be identified and a description of the ongoing efforts and/or problems in finalizing the memorandum(s) must be provided in Box "R" of the narrative Section V entitled “Local One-Stop Service Delivery System.” Please indicate the projected dates, if known, of full execution.***

Please work with your Regional Advisor to identify any other items required in the initial plan and/or PY 2005–06 modification guidance which were not included, and submit them in your PY 2006–07 modification.

## **Situations in which the Governor may require modifications**

As described in the Background above, Title 20 CFR Part 661.355 provides examples of situations for which the Governor may require modification of the local plan. ***The State requires Local Boards to modify their local plans to include any of the four changes referenced in Title 20 CFR Part 661.355, which are applicable to the local area.***

- Significant changes (as well as a general downturn) in local economic conditions -- ***Describe in the narrative Section III entitled "Labor Market Analysis."***
- Changes in financing available to support WIA Title I and partner-provided WIA services – ***All Local Boards will have changes in available financing to support Title I services, i.e., the PY 2006–07 allocations, which are to be incorporated in the modification on the Budget Plan summaries.***
- Changes to the Local Board structure – “Changes to the Local Board structure” does not mean changes in specific individuals on the board. Rather, it refers to changes in numbers of members, additional partnership categories, and other structural changes (for example, the establishment of a youth council within the board). No structural changes can be made which would eliminate any required partner categories, or which would eliminate the private sector majority. ***Any applicable changes must be discussed in Box "C" (and any other applicable sections/boxes) of the narrative Section IV entitled "Leadership."*** For example, if there are changes regarding the youth council, these should be discussed in Box "A" of the narrative Section VI entitled “Youth Activities.”
- Need to revise strategies to meet performance goals – Local negotiated PY 2005–06 performance goals may not be finalized by the time of your PY 2006–07 modification submittal. However, even if they are not, you may decide locally, based on prior years’ experiences, that you will need to change your strategies in order to meet your performance goals. ***If so, discuss the strategic changes in the narrative Section II entitled "Local Vision and Goals" and/or any other applicable sections of the narrative.***

## **Requirements for All Local Second One-Year Extension:**

***Section X. Addendum has been added to the narrative. The purpose of this addendum is to assure consistency with the State Plan, gather other information as required by the Governor, and collect additional required elements. All Local Boards must complete Section X. Addendum.***

***All Local Boards must complete the Cover Page, Table of Contents, Signature Page, X. Addendum, Budget Plan Summaries, Participant Plan Summary, Negotiated Levels of Performance Chart, and LWIA Grant Recipient Listing, as part of the modification.*** Final approval of the local area's proposed goals is subject to negotiation with the State in compliance with WIA Directive [WIAD05-15](#), LWIA Proposed Performance Goals for PY 2005–06, dated April 11, 2006.

## **Transfer of Funds—Adult and Dislocated Worker Formula Allocations**

The WIA Directive [WIAD05-12](#), dated January 12, 2006, provides State policy and procedures for the transfer of funds between Title I Adult and Dislocated Worker programs. You may submit a request for transfer at any time during the two-year life of the funds except May and June of the second year of availability. When you wish to effect a transfer of funds, ***follow the instructions in the directive for requesting the transfer. Make the appropriate entries on the budget and participant forms in the plan modification.*** (Note: A maximum 30 Percent transfer is applicable to both PYs 2005–06 and PY 2006–07 funding.)

### **Format**

A complete package of the new PY 2006–07 forms may be downloaded at [www.edd.ca.gov/wiarep/wiaricp.htm](http://www.edd.ca.gov/wiarep/wiaricp.htm).

The Table of Contents has columns for indicating which plan sections have been revised. ***Only those items that are identified as “new” in the Table of Contents, items that were not submitted with the initial plan and/or the PY 2005–06 modification, and items requiring changes (e.g., revised narrative pages relating to significant changes in the local economy, Local Board structure changes, and strategic changes to meet performance and expenditure goals) must be included in the modification. Please annotate each revised page with a revision date in the lower right corner of the page (e.g., “Rev. 6/28/06”). Complete the Cover Page. After the Cover Page, please arrange the modification in the order indicated by the Table of Contents.***

### **Public Comment, Signatures, Due Date**

Plan modifications must be made available to the public through such means as public hearings and the local news media. Members of the Local Board and members of the public, including representatives of business and labor organizations, must be allowed to submit comments on the proposed modification to the Local Board. These must be submitted no later than the end of the 30-day period beginning on the date on which the proposed modification is made available.

The plan modification is due to the State no later than October 2, 2006. Six copies are required, at least one of which must contain the original signatures of the Local Board Chair and the Chief Elected Official(s), or their designated alternates. Only one copy of each MOU is required. (Note: Alternates must be formally designated by official action of their respective boards or locally approved policy.) Some local areas may be unable to obtain the approval of both the Local Board Chair and the Chief Elected Official(s) by the due date (e.g., because of the scheduling of their respective board meetings). If so, they must submit at least one copy of the unsigned modification by the due date and provide an explanation and date by which the signed original and copies will be sent.

**ACTION:**

Please bring this directive to the attention of all relevant parties. ***Complete the plan modification according to the instructions in this directive and attachment. Submit the modification no later than 5:00 p.m., on October 2, 2006, to:***

Mail: Program Section  
Workforce Investment Division, MIC 50  
Employment Development Department  
P.O. Box 826880  
Sacramento, CA 94280-0001

Overnight Mail: Program Section  
Workforce Investment Division, MIC 50  
Employment Development Department  
800 Capitol Mall  
Sacramento, CA 95814

Hand Deliver: Program Section  
Workforce Investment Division  
Employment Development Department  
722 Capitol Mall, Room 1077  
Sacramento, CA 95814

**INQUIRIES:**

If you have any questions, please contact your [Regional Advisor](#), at (916) 654-7799.

/S/ BOB HERMSMEIER  
Chief  
Workforce Investment Division

Attachment is available on the Internet:

[WIA Local Plan Modification PY 2006–07 Instructions and Forms](#) (PDF)